



1 ENERGY AND ENVIRONMENT CABINET

2 Department for Natural Resources

3 Division of Oil and Gas

4 (Amendment)

5 805 KAR 1:030. Well location and as-drilled location plat, preparation, form and contents.

6 RELATES TO: KRS 349.015, 349.115, 353.550, 353.590, 353.737

7 STATUTORY AUTHORITY: KRS 349.015, 353.540, 353.550, 353.590(6) [353.590(4)]

8 NECESSITY, FUNCTION, AND CONFORMITY: KRS 353.590(6) authorizes [KRS
9 ~~353.540 authorizes the department to promulgate administrative regulations to administer KRS~~
10 ~~353.500 to 353.720. KRS 353.550 and 353.590(4) authorize]~~ the department to promulgate
11 administrative regulations concerning the preparation and filing of reports and plats. KRS 349.015
12 requires a plat to be filed with the department before a permit can be issued for a coal bed methane
13 well. This administrative regulation establishes requirements for uniformity and clarity in well
14 locations and identity.

15 Section 1. Applicability. This administrative regulation shall apply only to the oil and gas
16 producing industry and shall not apply to transmission and distribution systems or to product storage
17 facilities.

18 Section 2. General Information. (1)(a) Location plats for wells proposed to be drilled
19 pursuant to the provisions of KRS Chapter 353 or KRS Chapter 349 and the as-drilled location plat
20 to be submitted after a well is drilled shall be prepared and certified in accordance with KRS
21 353.590(6) [KRS 353.737].

1 (b) If the location of the well is known to be underlain by coal bearing stratum, the location
2 plat for the well proposed to be drilled [~~pursuant to the provisions of KRS 353.590(4)~~] shall be:

3 1. [~~Be~~] Prepared in accordance with KRS 353.737; and

4 2. Certified by an engineer, as defined in KRS 322.010(2), registered in Kentucky.

5 (c) If any plat submitted by an applicant is determined by the department to be materially
6 inaccurate or incomplete, the department shall require that a new plat be prepared and submitted.

7 Section 3. Waiver. (1) A person shall not drill a well for oil, [~~or~~] gas, or coal bed methane
8 within 150 feet, measured horizontally, from the surface location of the well bore to any occupied
9 [~~of any~~] building, unless:

10 (a) A waiver of objection to the drilling is secured in the manner established below; or

11 (b) The department, after notice and a hearing, determines that the drilling and production of
12 the well is not violative of the public policy set out in KRS 353.500 or KRS 349.005.

13 (2) The surveyor preparing the plat for a permit shall indicate the location of a proposed well
14 site relative to all buildings within 150 feet of the well site.

15 (3) If an owner of a building located within 150 feet of a proposed well site waives objection
16 to locating a well closer than 150 feet to the building, then a copy of the executed agreement of
17 waiver shall accompany the application for permit.

18 (4) A waiver shall not be transferable unless it contains an express provision that it is
19 transferable.

20 Section 4. (1) A separate location plat shall be submitted with each application to drill,
21 deepen, or reopen a well.

22 (2) To ensure the division has accurate information regarding the location of a well drilled
23 through a workable coal bed, a plat with the as-drilled location and elevation of the well shall be

provided to the division pursuant to KRS 353.737 in addition to the well location plat submitted to drill a proposed well.

(3) For coal bed methane wells, a copy of the plat shall be attached to the "Application for Permit," OG-1, incorporated by reference in 805 KAR 1:010, and submitted to the relevant parties pursuant to KRS 349.015(2), (3), (4), or (7).

Section 5. Plat Preparation. Location plats for wells proposed to be drilled pursuant to the provisions of KRS Chapter 353 or KRS Chapter 349 shall be prepared in the following manner:

(1) All plats shall be clearly legible and submitted on a sheet eight and one-half (8 1/2) by fourteen (14) inches. This sheet may be:

(a) Bond paper;

(b) Tracing cloth; or

(c) Tracing paper.

(2) The well location plat shall:

(a) Show the location of the proposed well relative to the two (2) nearest boundaries of oil and gas ownership, including any subdivision of the lease;

(b) Indicate all producing wells and permitted well sites within 1,000 feet of the proposed well site or sites within 1,500 feet for a coal bed methane well; and

(c) Clearly display all distances in feet.

(3) The location of the proposed well shall be shown on the plat, by bearing and distance, relative to two (2) permanent points/monuments that appear on the applicable USGS. seven and one half (7 1/2) minute; topographic quadrangle map, which permanent points/monuments include though are not limited to road intersections, bench marks, and buildings. A photocopy of a portion

of the topographic quadrangle map showing the proposed well site shall be acceptable in lieu of identifying the points/monuments on the plat.

(4) The location of the well site shall be prepared with reference to either the Carter coordinate system, latitude and longitude, or the Kentucky coordinate system.

(5) The elevation of the well site shall be determined by instrument and calculation. Estimated topographic elevations shall not be acceptable.

(6) The plat shall be prepared to a scale of one (1) inch equals 100, 200, 300, 400, 500, 600, or 800 feet.

Section 6. As-Drilled Plat Location. Location plats for as-drilled wells shall be prepared in the following manner:

(1) All plats shall be clearly legible and submitted on a sheet eight and one-half (8 1/2) by fourteen (14) inches. This sheet may be:

(a) Bond paper;

(b) Tracing cloth; or

(c) Tracing paper.

(2) The well location plat shall:

(a) Show the location of the as-drilled well relative to the two (2) nearest boundaries of oil and gas ownership, including any subdivision of the lease;

(b) Identify [~~Indicate~~] all producing wells and permitted well sites within 1,000 feet of the as-drilled well site or sites within 1,500 feet for a coal bed methane well; and

(c) Clearly display all distances in feet.

(3) The as-drilled well location plat shall provide coordinates in feet, using the NAD 83, with Single Zone Projection as the terms are defined in KRS 353.010.

(4) The location of the as-drilled well shall be shown on the as-drilled well location plat, by bearing and distance, relative to two (2) permanent points or monuments that appear on the applicable USGS seven and one-half (7 1/2) minute; topographic quadrangle map, which permanent points or monuments include though are not limited to road intersections, bench marks, and buildings. A photocopy of a portion of the topographic quadrangle map showing the proposed well site shall be acceptable in lieu of identifying the points or monuments on the plat.

(5) In addition to the requirements of subsection (3) of this section, the location of the well site shall be prepared with reference to either the Carter coordinate system, latitude and longitude, or the Kentucky coordinate system.

(6) The elevation of the well site shall be determined by instrument and calculation. Estimated topographic elevations shall not be acceptable.

(7) The plat shall be prepared to a scale of one (1) inch equals 100, 200, 300, 400, 500, 600, or 800 feet.

Section 7. Additional Requirements. In addition to the data required in Section 5 of this administrative regulation, well location plats shall include the following information:

(1) Operator;

(2) Farm or lease name;

(3) Well number;

(4) County;

(5) Scale at which the plat is drawn;

(6) North direction;

(7) Legend:

◦ - Proposed well site;

- 1 ● - Oil well;
- 2 ☀ - Gas well;
- 3 ⊕ - Coal bed methane well;
- 4 ⊙ - Injection well;
- 5 ⊠ - Plugged well; and
- 6 ∅ - Abandoned well, not plugged;
- 7 (8) Date of preparation of plat;
- 8 (9) Name of the topographic quadrangle map on which the well site may be located;
- 9 (10) Owners, lessors and lessees of oil and gas on tracts that are offset by the proposed well;
- 10 (11) Certification in the following form: "I hereby certify that the above plat is accurate and
- 11 correct and satisfies the requirements of 805 KAR 1:030 to the best of my knowledge and belief";
- 12 and
- 13 (12) Certification shall be followed by the written signature of the person preparing the plat,
- 14 the preparer's mailing address, registration number, and telephone number.

805 KAR 1:030 approved for filing.
Pages (1-6)

7/10/2019

Date

Charles G. Snavely

Charles G. Snavely, Secretary
Energy and Environment Cabinet

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall be held on August 22, 2019 at 5:00 P.M. (Eastern Time) in Training Room C of the Energy and Environment Cabinet at 300 Sower Blvd, Frankfort, Kentucky. Individuals interested in being heard at this hearing shall notify this agency five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be cancelled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through August 31, 2019. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Michael Mullins, Regulation Coordinator, 300 Sower Blvd, Frankfort, Kentucky 40601, phone: (502) 782-6720, fax: (502) 564-4245, email: michael.mullins@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation No.: 805 KAR 1:030
Contact Person: Michael Mullins

Contact number: (502) 782-6720
Email: michael.mullins@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes requirements for uniformity and clarity in well locations and identity.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish requirements for plats to be submitted to the Division of Oil and Gas.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 353.590 and KRS 349.015 requires operators to submit to the division a plat showing the location of each well. This administrative regulation provides detailed information on the requirements for plat submittal.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists in the effective administration of the statutes by providing detailed information to clarify the statutory requirement for plat submittal.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment will incorporate information related to plat submittal for coal bed methane production. This information was previously in 805 KAR 9:020.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary to consolidate two administrative regulations into one administrative regulation related to submittal of plats related to an oil or gas permit.

(c) How the amendment conforms to the content of the authorizing statutes: The amendment consolidates plat submittal requirements as required by KRS 353.590 and 349.015.

(d) How the amendment will assist in the effective administration of statutes: These amendments will assist in the effective administration of the statutes by consolidating two administrative regulations related to the submittal of plats.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation. There are approximately 1,060 active oil and gas operators in the commonwealth

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: The regulated entities identified in question (3) will meet the same requirements related to the submittal of plats to the division. However, the information related to plat submittal for coal bed methane drilling will now be in this administrative regulation instead of 805 KAR 9:020.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): There will be no additional costs for related to these amendments.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): As a result of compliance, entities will be able to find all information related to the submittal of plats for oil and gas drilling in one administrative regulation.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: The division will not incur any additional costs for the implementation of this administrative regulation.

(b) On a continuing basis: The division will not incur any additional costs for the implementation of this administrative regulation.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: A combination of general and restricted funds will be used for the implementation of this administrative regulation.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment. No increase in fees or funding is necessary to implement this amendment.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees. This administrative regulation does not establish any fees, nor does it directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why tiering was or was not used.)

No, tiering was not used. The provisions in this administrative regulation will apply equally to all oil and gas operator.

FISCAL NOTE ON STATE AND LOCAL GOVERNMENT

Administrative Regulation No.: 805 KAR 1:030
Contact Person: Michael Mullins

Contact number: (502) 782-6720
Email: michael.mullins@ky.gov

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation?

This administrative regulation applies almost entirely to the Division of Oil and Gas.

2. Identify each state or federal statute or federal regulation that requires or authorizes action taken by the administrative regulation. KRS 349.015 and 353.590.

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? The proposed administrative regulation will not generate revenue in the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? The proposed administrative regulation will not generate revenue in subsequent years.

(c) How much will it cost to administer this program for the first year? The cabinet's current operating budget will be used to administer this program for the first year.

(d) How much will it cost to administer this program for subsequent years? The cabinet's operating budget will be used to administer this program for subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impacts of the administrative regulation.

Revenues (+/-):	There is no known effect on current revenues.
Expenditures (+/-):	There is no known effect on current expenditures.
Other Explanation:	There is no further explanation.